



THE CITY OF SAN DIEGO **MANAGER'S REPORT**

DATE ISSUED: January 3, 2001 REPORT NO. 01-004

ATTENTION: Honorable Mayor and Members of the City Council
Agenda of January 9, 2001

SUBJECT: Authorization to Enter into an Agreement with Metropolitan Transit
Development Board (MTDB) to Fund a Portion of Phase II of North Bay
and Beach Area Guideway Study

SUMMARY

Issue - Should the City Council make certain findings with respect to the Redevelopment Agency funding a portion of Phase II of the North Bay and Beach Area Guideway Study?

City Manager's Recommendation - That the City Council:

Make certain findings that the Study is of benefit to the project area or the immediate neighborhood in which the project is located; that no other reasonable means of financing the Study is available to the community; and that the payment of funds for the Study will assist in the elimination of one or more blighting conditions inside the Project Area, and is consistent with the Redevelopment Plan adopted for the Project Area on May 18, 1998 and the Five-Year Implementation Plan adopted May 4, 1998.

Fiscal Impact - The total Agency contribution to the study is not to exceed \$200,000. The amount would be paid through installment payments to MTDB. The funds for the study will come from the North Bay Redevelopment Project Tax Allocation Bonds, Series 2000 proceeds. Bond proceeds are allowed to be used for this study. The total study cost is estimated at \$350,000. MTDB will pay for the remaining \$150,000 of the study cost, and an additional \$60,000 in MTDB administrative costs.

Environmental Impact - This activity is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, Section 15262, "Feasibility and Planning Studies."

BACKGROUND

MTDB completed Phase I of the North Bay and Beach Area Guideway in August 2000. The study evaluated alternatives to better serving and connecting North Bay, Ocean Beach, Mission Beach and Mission Bay areas to the regional transit system, particularly to the San Diego Trolley and Coaster Commuter Rail. The study also evaluated alternative routing and technology/service options, including light rail transit, Automated People Mover (APM), and "Quality Bus" service and had extensive community outreach.

On August 10, 2000, the MTD Board of Directors approved for planning purposes an elevated APM system with seven stations and an alignment that begins at Old Town Transit Center, through the North Bay Redevelopment Project to Mission Beach (See Attachment 1). The seven stations are proposed to be located at Old Town, Rosecrans Street and Sports Arena Boulevard, the San Diego Sports Arena, Sports Arena Boulevard and Midway Drive, Sea World, Quivira Basin and Belmont Park. The estimated capital cost of the APM system, depending on the technology (automated guideway transit (AGT) or monorail) and final alignment, ranges from \$54 to \$72 million per mile (in Year 2000 dollars). The estimated total capital cost ranges from \$210 to \$275 million (in Year 2000 dollars). The yearly operating and maintenance costs for these systems ranges from approximately \$4 to \$5 million.

DISCUSSION

On August 10, 2000, the MTD Board of Directors authorized proceeding with a Phase II study. Phase II involves additional engineering and environmental evaluation. This work includes additional engineering studies and mapping as a precursor to the preliminary engineering and environmental phases of the guideway system. Phase II includes:

- 1) Develop conceptual designs for seven stations, including integration of stations into the North Bay Project Area, as well as into developments at the San Diego Sports Arena, Sea World, Quivira Basin, and Belmont Park;
- 2) Identify site and develop designs for maintenance facilities, including integration of maintenance facilities into a potential Old Town Transit Center parking structure or North Bay Project Area;
- 3) Evaluate the engineering and financial feasibility of a parking structure and/or station at the Old Town Transit Center, in cooperation with the California State Parks;
- 4) Evaluate the feasibility of working with the City of San Diego to include a guideway system bridge crossing at the San Diego River, (along West Mission Bay Drive bridge), in conjunction with the rehabilitation of the bridge; and

5) Coordinate with the Agency, community groups, the City and others, to develop opportunities and agreements with property owners along the guideway project route to participate in financing.

MTDB is requesting Agency assistance to fund a portion of the study since they do not have funds available to fund the entire study. On December 14, 2000 the MTD Board approved a resolution that no other reasonable means of financing the Study are available. MTDB will administer the study, the consultant team and oversee community outreach. Redevelopment Agency/City staff will actively participate in the 15 month study and ensure the study and recommendations are consistent with community plans and the North Bay redevelopment program.

The MTD Board is scheduled to approve a contract with Wilbur Smith Associates, as lead consultant to Phase II, at their January 11, 2001 meeting. Wilbur Smith Associates prepared Phase I of the study.

The North Bay Redevelopment Project will benefit from the study in a number of ways. Attachment 2 sets forth the benefit Findings to the North Bay Redevelopment Project. First, the development of an elevated APM transportation system would ease traffic congestion within the Midway/Rosecrans area that is currently impacted by automobile traffic. Improving the quality of non-vehicular transportation is a stated objective within the adopted Redevelopment Plan. Second, the study will further identify and plan potential Transit Oriented Development (TOD) opportunities within the Project Area. A station has been identified at the San Diego Sports Arena site and the development of such a facility will further the eventual redevelopment of the site. Similarly, an APM station would provide redevelopment opportunities particularly for other properties that are underutilized and/or exhibiting physical or economic blighting conditions. The Report to City Council, approved in May 1998, (documenting the need for redevelopment within North Bay) cited parcels of inadequate size as a blighting condition. Third, the development of a parking structure at the Old Town Transit Center would provide additional parking to the overall Old Town Community parking supply which includes a portion of the North Bay Redevelopment Project. Inadequate parking was also cited in the Report to City Council as a blighting condition throughout the Project Area.

On November 1, 2000 the North Bay Project Area Committee recommended (13-yes, 0-no, 0-abstention) that the Agency approve the expenditure of \$200,000 for Phase II of the North Bay and Beach Area Guideway Study.

ALTERNATIVES

Structure the agreement as a loan or do not enter into the agreement with MTDB to fund a portion of Phase II of the North Bay and Beach Area Guideway Study.

Respectfully submitted,

Hank Cunningham
Economic Development and
Community Services Director

Approved: George Loveland
Assistant City Manager

HOOKS/JRD

ATTACHMENTS:

1. Automated People Mover Alignment
2. Findings

Note: Attachment 1 is not available in electronic format. A copy is available for review in the Office of the City Clerk.